

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 29
(MC2016-120)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-150

**NOTICE OF UNITED STATES POSTAL SERVICE OF
AMENDMENT TO PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 29,
WITH PORTIONS FILED UNDER SEAL**
(November 2, 2016)

The Postal Service hereby provides notice that the terms of Priority Mail Express & Priority Mail Contract 29, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Express & Priority Mail Contract 29 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days following the day that the Commission completes its review of this filing.

This amendment will not affect the cost coverage of Priority Mail Express & Priority Mail Contract 29. Therefore, the supporting financial documentation and financial certification initially provided in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.

Chief Counsel, Pricing and Product Support

Elizabeth A. Reed

475 L'Enfant Plaza West, S.W.

Washington, D.C. 20260-1137

(202) 268-3179, Fax -6187

elizabeth.a.reed@usps.gov

November 2, 2016

ATTACHMENT A

**REDACTED AMENDMENT TO
PRIORITY MAIL EXPRESS & PRIORITY MAIL CONTRACT 29**

**AMENDMENT
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL EXPRESS AND
PRIORITY MAIL SERVICE**

WHEREAS, the United States Postal Service (“the Postal Service”) and [REDACTED] (“Customer”) entered into a shipping services contract regarding Priority Mail Express and Priority Mail Service on April 1, 2016.

WHEREAS, the Parties desire to amend the terms in Section I.G of the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Section I.G in its entirety, as follows.]

I. Terms

G. Contract Package Pricing.

1. Implementation Period. From the effective date of the Contract until December 31, 2016 (“Implementation Period”), Customer will pay the customized Contract Package prices found in Rate Group 2.
2. Following the Implementation Period, the average quarterly volume of Contract Packages, plus all other Priority Mail packages shipped by Customer, will be used to determine the applicable Rate Group for Contract Package pricing in the following Contract Quarter.
3. Upon completion of four (4) full Contract Quarters after the contract’s effective date, subsequent Contract Package pricing will be based on a rolling four (4) quarter average, as explained in Section I.I.
4. Customer shall ship an average of at least [REDACTED] packages, consisting of Contract Packages and Customer’s other Priority Mail shipments, per Contract Quarter throughout the term of the Contract.

5. If the combined average quarterly volume of Contract Packages and Customer's other Priority Mail packages falls below the minimum quarterly volume established for Rate Group 1 for any Contract Quarter, the Postal Service at its sole discretion has the right to revert Customer to the prevailing Priority Mail Express Commercial Base and Priority Mail Commercial Plus prices for the following Contract Quarter.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by:  _____

Printed Name: Cliff Rucker _____

Title: Vice President, Sales _____

Date: 10/15/16 _____

